

IVACO INC. 1985 ANNUAL REPORT

IVACO



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Paul Ivanier
President and
Chief Executive Officer
Sydney Ivanier
Senior Vice-President
Michael Herling
Senior Vice-President
and Secretary
Jack Klein
Senior Vice-President
John Loveridge
Vice-President
M. R. Cairns
Vice-President
Albert A. Kassab
Vice-President and
Chief Financial Officer
George Goldstein
Vice-President

ANNUAL MEETING

The annual meeting of the Company will be held on May 29th, 1986 at 10:00 a.m. in the Oval Room of the Ritz-Carlton Hotel, Montréal, Québec.

HEAD OFFICE

Place Mercantile
770, rue Sherbrooke ouest
Montréal, Québec, Canada
H3A 1G1
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Cover

Chart shows Ivaco sales growth from \$11 million in 1969 to \$1.3 billion in 1985.

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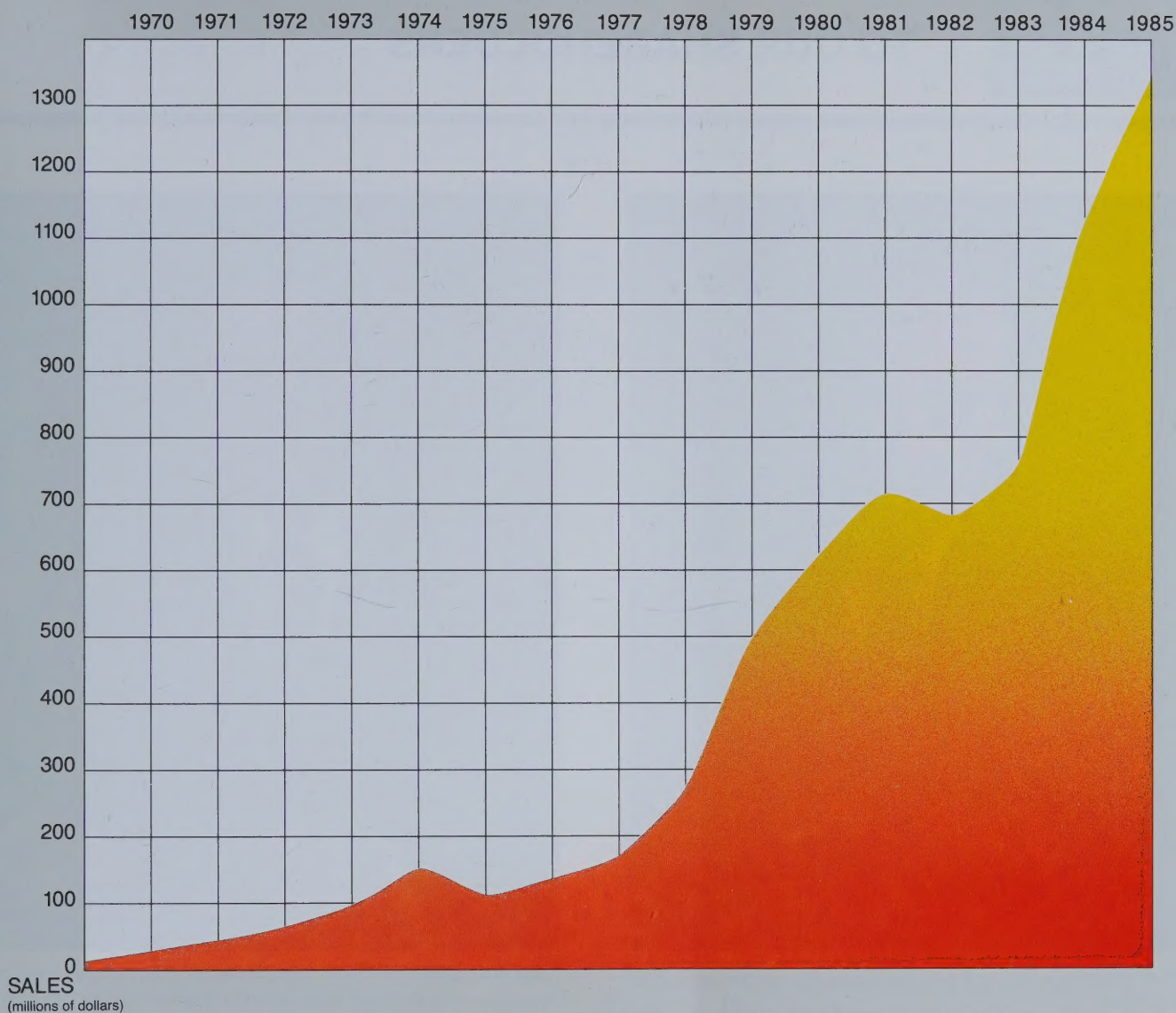
TRANSFER AGENT AND REGISTRAR

The Royal Trust Company in Montréal, Toronto, Calgary, Winnipeg, Regina, Vancouver and Halifax

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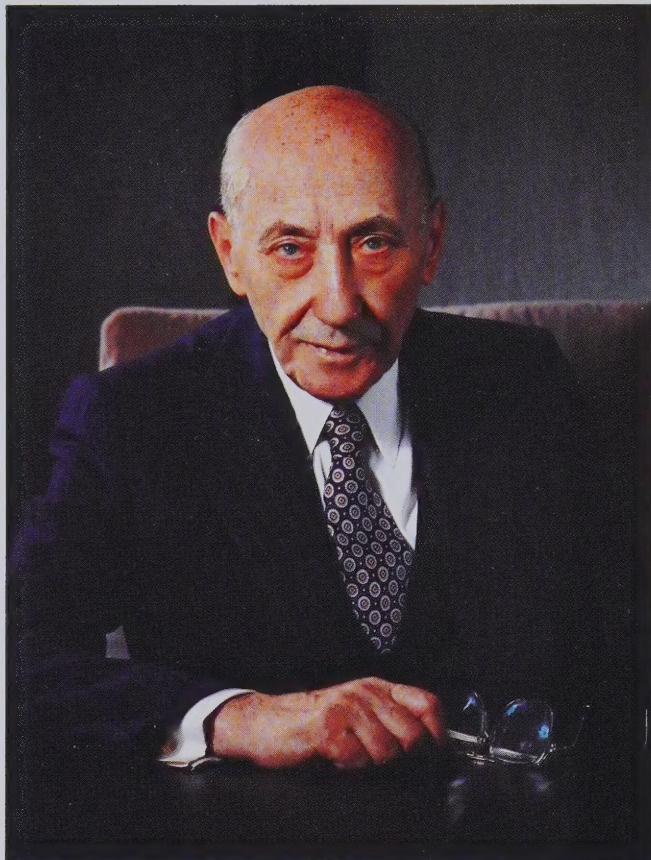
The Montréal Exchange
The Toronto Stock Exchange

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Place Mercantile
770, rue Sherbrooke ouest
Montréal (Québec) Canada
H3A 1G1



FINANCIAL HIGHLIGHTS THOUSANDS OF DOLLARS EXCEPT PER SHARE AMOUNTS

	1985	1984
Sales	\$1,342,670	\$1,193,935
Operating Income	\$ 99,402	\$ 94,752
Net earnings before extraordinary gain	\$ 35,145	\$ 32,322
Net earnings	\$ 35,145	\$ 33,830
Net earnings per Class A and Class B share		
Before extraordinary gain	\$ 1.04	\$ 1.53
After extraordinary gain	\$ 1.04	\$ 1.64
Working capital	\$ 395,027	\$ 272,810
Net additions to fixed assets	\$ 46,320	\$ 39,530



Isin Ivanier
Chairman



Paul Ivanier
President and Chief Executive Officer

April 9, 1986

During 1985 operating results were up to expectations and significant capacity for future profitable growth was put in place. The highlights for 1985 were increased sales and earnings, completion of a successful major financing, and two important acquisitions.

The positive and upward movement in sales and earnings were achieved despite declining margins for steel products in the United States during 1985. This is a clear indication that your Company's strategy of continuous reinvestment for improvement in productivity, progressive expansion and broadening of product lines, and constant attention to quality remains a wise course.

Selling prices and margins continued to be a major concern during 1985, particularly in markets for steel and steel products in the United States. A large portion of Ivaco sales are made in the U.S. and steel in finished product form is a significant part of the product mix.

The reality is that there is a worldwide imbalance in steel supply and that much of the excess capacity is in the U.S. However, much of this excess capacity operates at only marginal rates, principally as a result of failure by many producers to modernize. This domestic oversupply situation has created periodic irrational selling tactics by some producers thus eroding margins industry wide.

The problem has been further compounded by the failure of the U.S. Government to limit imports to its intended level, as it has frequently stated it intends to do.

Through 1985 and for the first two months of 1986, imports captured some 25% and 24%, respectively, of the U.S. market, thus indicating that the Government's announced plan to negotiate voluntary import limits to a maximum of 18.5% of the market for finished steel has yet to demonstrate results.

A year ago at this time there was optimism in the industry that voluntary import limits would begin to affect pricing sometime in the second half of 1985. While this has yet to happen there has been some evidence shown of resolve to settle the problem. When this does occur, now anticipated during the second half of this year, and combined with the inevitable closing of some uneconomic domestic production, the long term future for low cost producers like Ivaco is certainly promising.

We attach considerable importance to market share gains and in this respect your Company is making excellent progress. It is the key measure of our ability to compete. In a number of product areas, significant both in terms of tonnage and dollars, Ivaco has grown to become the leading supplier. While precise statistics are not available, we believe that Ivaco has become the largest producer of nails and standard fasteners in the world. In addition, your Company is certainly North America's largest producer of hot rolled wire rods, welded wire fabric, oil-tempered spring wire and prestressed concrete steel strand.

We will continue to extend Ivaco's market leadership for these and other products by stressing customer responsiveness, dedication to quality, and continuous attention to productivity. In this context, spending for net additions to fixed assets was \$46.3 million in 1985, up from \$39.5 million in the year before.

One particularly significant investment was undertaken at L'Original, Ontario for the upgrading and expansion of capacity for the production of hot rolled wire rods. When completed, later this year, the L'Original rolling

mill will have expanded capacity to produce special grades of wire rods utilizing steel billets procured under an agreement between Ivaco and QIT – Fer et Titane Inc. Under this agreement, which is greatly beneficial to both companies, Ivaco will begin receiving steel billets during the second half and the long term availability of large tonnages of these special quality steel billets will enable Ivaco to penetrate new markets for wire rods and the products made from them.

The financial position of your Company was strengthened substantially during the year through the completion of a major financing. The issue consisted of exchangeable preferred shares and debentures both of which are exchangeable into the Company's investment in approximately 6 million common shares of Dofasco Inc., which represent approximately 11% of Dofasco's common stock. The conversion price is \$32 per Dofasco share. As a result of this transaction your Company has realized \$191 million cash, less underwriters' fees, for its investment in Dofasco which has a cost of \$117 million.

Net earnings for 1985 were reduced by \$2.4 million, or 18 cents per share due to a change in the method of accounting for investment tax credits. This change complies with the new recommendations of the Canadian Institute of Chartered Accountants which became effective in 1985.

The attention of shareholders is also drawn to changes in presentation of the financial statements. The Consolidated Statement of Changes in Financial Position has been changed to comply with the recommendations of the Canadian Institute of Chartered Accountants which became effective in 1986. Accordingly, the financial statement which previously was referred to as the Consolidated Balance Sheet has been renamed Consolidated Statement of Financial Position and the format has been changed.

These changes in presentation do not, of course, change the basic financial structure of your Company. Ivaco is in a very strong financial position, in fact the strongest in its history. Operating income reached a record

\$99.4 million last year and operations provided \$84.6 million of working capital. Working capital increased by \$122.2 million during the year and stood at \$395.0 million at year end and shareholders' equity increased to a record \$520.6 million.

Preferred share dividends increased by \$8.6 million during the year resulting in lower earnings per share for 1985 compared to 1984, even though net earnings showed improvement.

There were two important acquisitions during the year. At mid year, Ivaco acquired The AHL Group Limited and towards year end had put into motion a tender offer for control of Canron Inc. which was completed successfully in early 1986.

The AHL Group consisted of Federal Bolt and Nut, a large producer of fasteners; ArrowHead Metals, the leading Canadian manufacturer of copper and copper alloy products; and Docap, a distributor of specialized automotive aftermarket and mill products.

The acquisition of control of Canron, completed early this year, will have a very significant and beneficial effect for Ivaco. Canron has a broadly diversified range of operations some of which are complementary to Ivaco's and others which take us into new industries with good growth potential. It is an important fabricator and erector of structural steel and manufactures plastic pipe and fittings, cast iron foundry products, iron and pressure pipe, and specialized machinery for heavy industry and railway track maintenance.

The acquisition, which resulted in Ivaco acquiring 95% of Canron's common shares, on a fully diluted basis, was made on a friendly basis and acceptance of the Ivaco offer was recommended by the Canron Board. One condition which was mutually agreed to was that Canron should remain a public company and Ivaco would use its reasonable best efforts to reduce its ownership to 51% over a period of three years.

Canron has gone through a major reorganization and revitalization in recent years. Like Ivaco, it has been growing both through internal expansion and by acquisition. Canron's fastest growing operations are in its

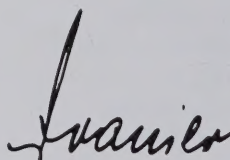
plastic pipe business. Although it is the market share leader in Canada for many of its businesses, there remains potential for further growth.

Toward the end of the year your Board of Directors undertook its usual review of Ivaco's 1985 financial performance and assessed the outlook for the year ahead. The result was the declaration of a year end extra dividend of 12 cents per Class A Share and 10 cents per Class B Share.

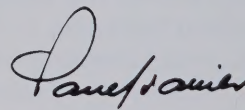
The outlook for the current year is encouraging. Sales are expected to approach the \$2 billion level; there is tentative firming of steel pricing in the U.S. which is expected to take effect during the second half; the reduction in rates of inflation and the upward trend of the North American economy all combine to suggest that 1986 should be another very good year for Ivaco.

Improvement in operating results has only been possible through the continued efforts and dedication of Ivaco employees who now total 12,000. We would like to take this opportunity to thank them for their continued efforts and loyalty.

On behalf of the Board of Directors:



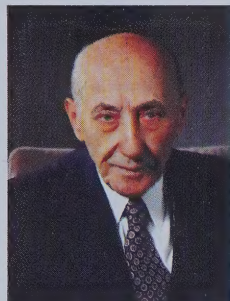
Isin Ivanier
Chairman



Paul Ivanier
President and
Chief Executive Officer

DIRECTORS AND OFFICERS

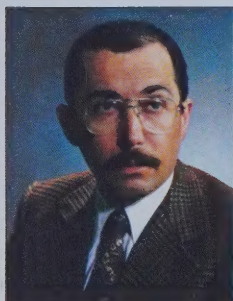
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Isin Ivanier*
Chairman of the
Company



Paul Ivanier*
President and
Chief Executive
Officer of the
Company



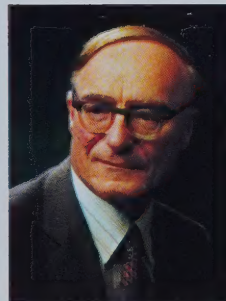
Sydney Ivanier*
Senior
Vice-President of
the Company



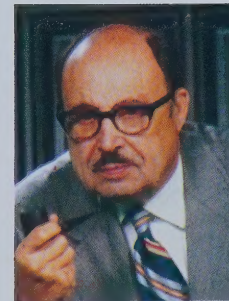
Michael Herling*
Senior
Vice-President and
Secretary of the
Company



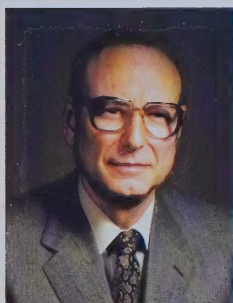
Jack Klein*
Senior
Vice-President of
the Company



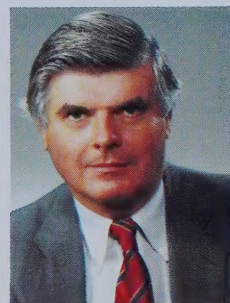
John Loveridge*
President,
Ingersoll Machine
and Tool Company,
Limited



Edward J. Buell*
Chairman,
Niagara Lockport
Industries Inc.



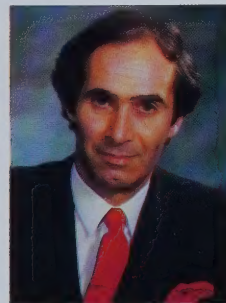
Donald G. Lawson*
President,
Moss, Lawson &
Co. Limited



H.B. McNally, Q.C.*
Partner,
Byers Casgrain



M.R. Cairns
President,
Niagara Lockport
Industries Inc.

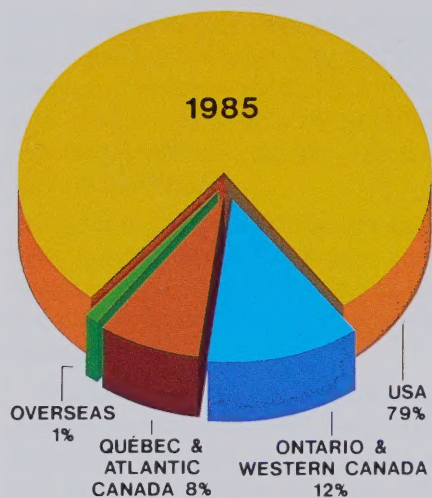


Albert A. Kassab
Vice-President and
Chief Financial
Officer of
the Company

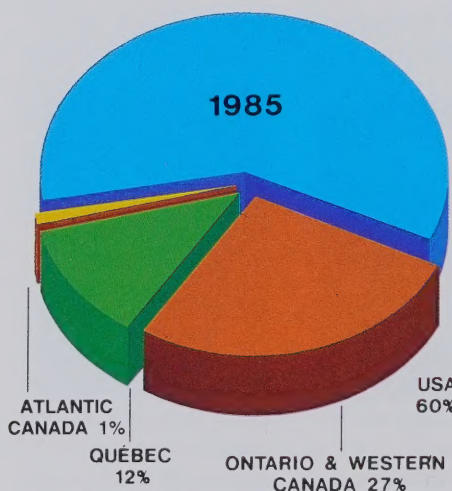
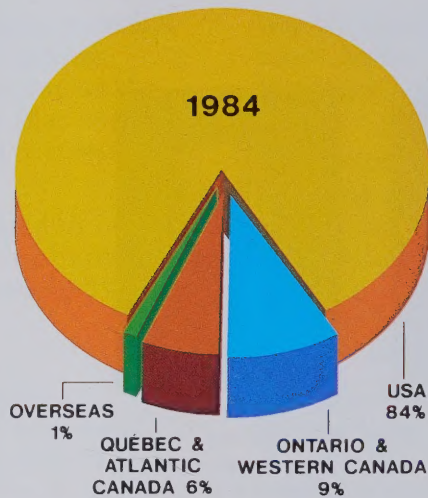


George Goldstein
Vice-President of
the Company

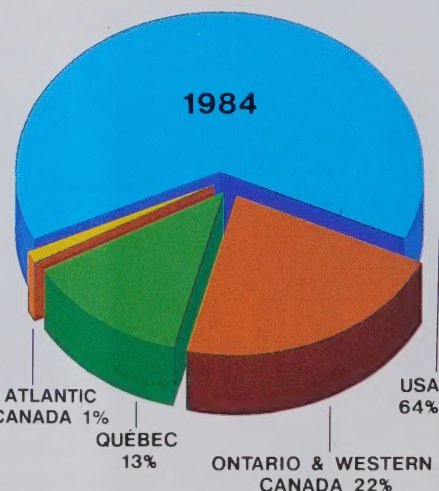
* Director



SALES DISTRIBUTION



FIXED ASSETS DISTRIBUTION



Ivaco is one of North America's 12 largest steel producers. It has annual steelmaking and rolling capacity of 2 million tons. It produces steel billets, hot rolled bars and shapes, strip, hot rolled wire rods and it is an extensive downstream manufacturer of wire, welded wire fabric, nails, fencing, fasteners, wire ropes and cables and prestressed strand. It also manufactures precision machined components, paper

machine clothing, and copper and copper alloy products. Through its recently acquired Canon subsidiary it fabricates and erects structural steel and manufactures plastic pipe and fittings, cast iron foundry products, iron and concrete pipe, and specialized machinery for heavy industry and railway track maintenance.

Ivaco continues to grow at a rapid rate through the process

of continuous modernization of production facilities, a constant broadening of product lines, and selective acquisition.

The Company has some 12,000 employees at 65 plants of which 42 are in Canada, 22 in the United States and 1 in Australia. Ivaco has eight operating groups.

Steelmaking and Rolling Mills

The Company produces and rolls steel at four locations. One is in Canada and three are in the United States.

Wire, Wire Products and Nails

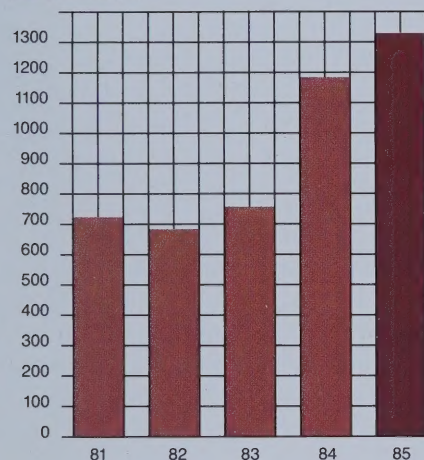
In addition to being a major producer of wire and wire products, Ivaco is believed to be the largest producer of nails in the world and the largest producer of oil-tempered spring wire and welded wire fabric in North America. It is also a substantial producer of fencing products, welded chain and chain products. Its plants provide market coverage throughout Canada and to the entire U.S. Eastern Seaboard and Midwest.

Fasteners

Bolts, nuts and fastener products are produced at four locations in Canada for automotive, machinery, consumer goods, construction and export markets. Your Company is the world's largest producer of standard fasteners.

SALES

(millions of dollars)

**Wire Ropes, Cables and Strand**

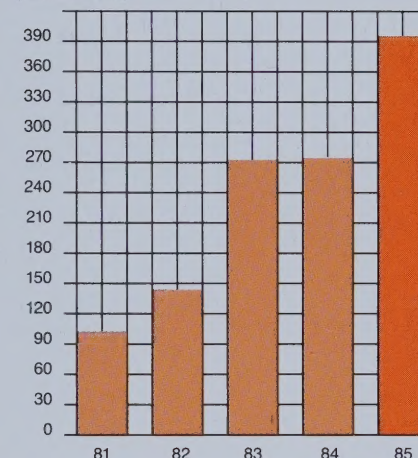
Wire ropes and cables are made in Canada and sold throughout North America; prestressed strand is made at two U.S. plants and shipped continent wide.

Precision Machined Components, Axles and Forgings

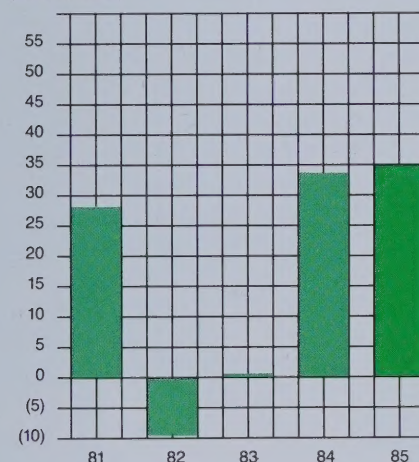
Machining and assembly operations for pumps, axles and defense products are at Ingersoll, Ontario and forging facilities are at nearby Port Colborne.

WORKING CAPITAL

(millions of dollars)

**NET EARNINGS (LOSS)**

(millions of dollars)

**TOTAL ASSETS**

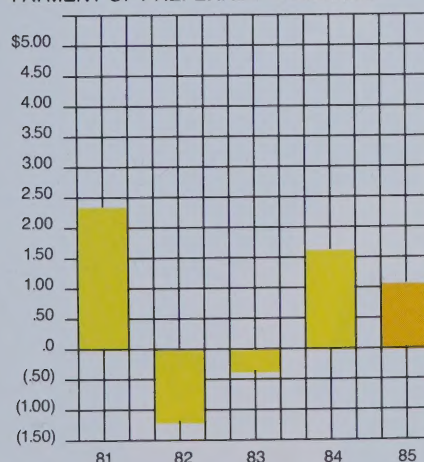
(millions of dollars)

**Paper Machine Clothing**

Forming fabrics and wet and dryer felts are engineered and custom made for paper and paperboard machines at two locations in Canada and two in the United States.

Copper and Copper Alloy Products

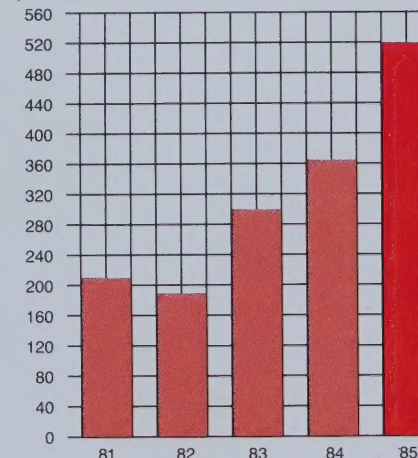
A fully integrated mill at Toronto supplies sheet, strip, rod, bar, and extruded shapes in a broad range of coppermetals.

NET EARNINGS (LOSS) PER SHARE AFTER PAYMENT OF PREFERRED DIVIDENDS**Canron Operations**

Canron operations comprise manufacturing of plastic pipe and fittings, cast iron foundry products, iron and concrete pipe, specialized machinery for heavy industry and railway track maintenance, and fabrication and erection of structural steel.

SHAREHOLDERS' EQUITY

(millions of dollars)



STEELMAKING AND ROLLING MILLS

Ivaco is one of North America's 12 largest steel producers. It produces steel at four modern and highly efficient steelmaking complexes, each equipped with electric furnaces, continuous casting lines and adjacent rolling mills.

One of the steelmaking facilities is at L'Orignal, Ontario, and three are in the United States, at Alton, Illinois, and Atlanta and Cartersville, Georgia.

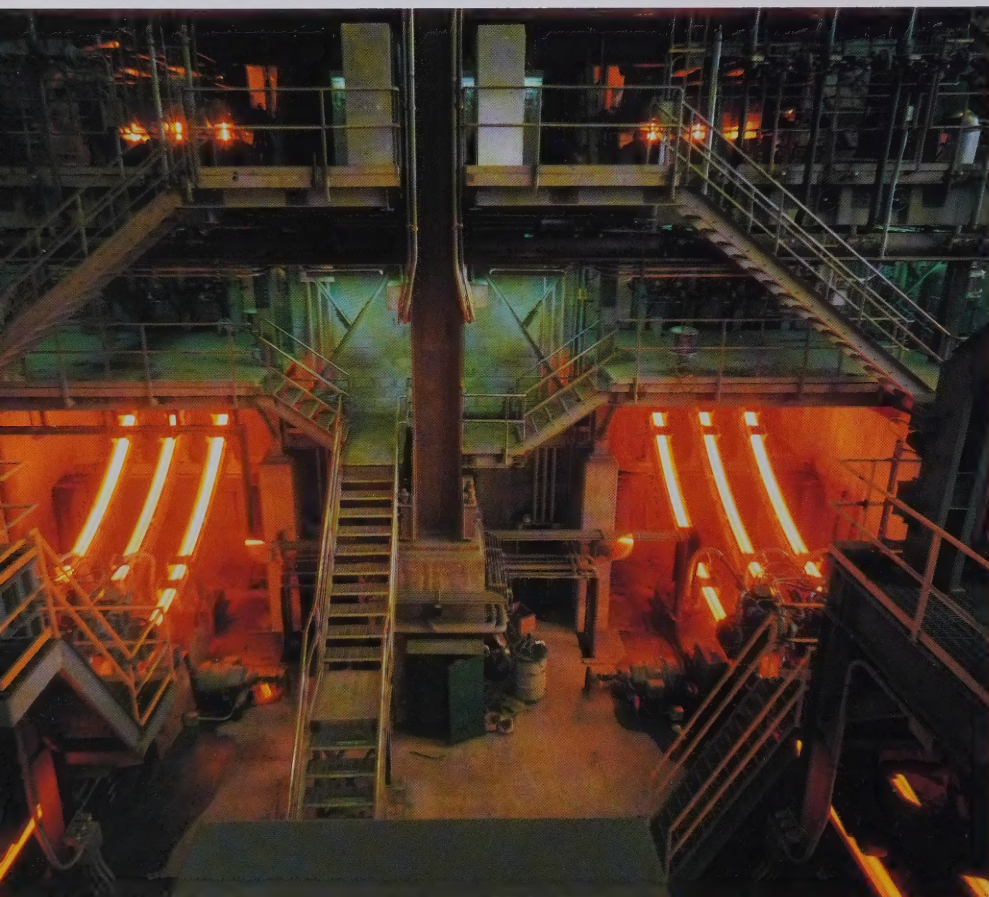
Three of the facilities continuously cast 100% of all billets produced and a substantial upgrading program is underway at the fourth, 51%-owned Laclede Steel Company, to bring its continuous cast production up to more than 50% of its total steelmaking capacity.

The steelmaking and rolling mill complexes are strategically located relative to their principal markets and there is a high degree of specialization at each of the mills.

All the complexes have sophisticated metallurgical capabilities so that output includes a high proportion of alloy or special chemistry steels. Among the principal

products are hot rolled bars and shapes, including special bar quality stock, pipe, and hot rolled wire rods. With wire rod capacity of over one million tons per year, Ivaco is the largest producer of this basic manufacturing raw material in North America.

The Ivaco strategy of operating high performance midi mills, geographically close to and rapidly responsive to significant markets, has made it possible to operate at a higher utilization of capacity than most North American mills were able to achieve during 1985. The higher than average capacity utilization is a direct reflection of Ivaco's sustained policy for continuous productivity improvement to maintain its status as a low cost producer. While this did not insulate the Company from the pricing anarchy which has characterized North American



◀ This modern six strand continuous caster is located at Atlanta, Georgia.

Molten steel is tapped at Laclede's ▶ Alton, Illinois complex.



steel markets during 1985, particularly in the U.S., it has more than held its own in the marketplace.

Your Company's mills all have continuous programs aimed at improving existing high standards of productivity and to harness the most effective new systems for upgrading or ensuring quality of finished product.

The outlook for the current year for Ivaco's steelmaking operations is for continued strong sales with only modest improvement in pricing until the U.S. Government moves more vigorously to implement the Voluntary Restraint Agreements aimed at reducing unfairly priced imports. Imports accounted for about 25% of the U.S. market during 1985. Meanwhile, all steelmaking and rolling mill complexes will maintain emphatic programs for modernization, productivity and quality enhancement.

The following pages review the individual operations in greater detail.

L'Original

The steelmaking and rolling mill complex at L'Original is an extremely sophisticated facility specializing in the production of hot rolled wire rods.

Production levels remained relatively high throughout the year. Strong gains were made in terms of productivity, and continued advances were made in the production of high quality special chemistry products.

The twin electric furnaces are equipped with advanced

oxy-fuel burners and modern water cooled side panels and roofs which contribute to shorter melt cycles. The furnace tap-to-tap time is further reduced by state-of-the-art capacity for ladle metallurgy which allows for the finishing of a heat to precise chemistries in the ladle and thus frees the furnace sooner to begin melting the next heat.

Steelmaking was augmented during the year by a new metallurgical station to allow more efficient and precise introduction of additives and by the installation of an inert gas, porous plug, bottom-stirring system. Another advance was the installation of automated, high speed spectrometer facilities which, along with other quality-oriented additions, help keep L'Original's steelmaking facility at the leading edge of the productivity and quality trend.

During 1985 casting of billets set a new annual production record and by year end annual productive capacity was further increased by approximately 15%.

During the year, work was begun on a major upgrading of the rolling mill at L'Original to expand overall capacity, allow production of new product grades, and to ensure the continuation of highest quality standards. When completed in 1986, it will be among the most advanced in the world.

Among the improvements are a revamped rehear furnace, new inter-stand water cooling, a dramatic speed-up, and two new heavy capacity coil compactors.

A substantial portion of the work was completed during late 1985 and was run in during the first quarter of this year. The next major portion of the task will be undertaken during the 1986 regular summer shut-down for maintenance.

Rolling mill output will be substantially increased as a result of the new capacity to work larger and heavier billets and by an increase in running speed. One beneficial aspect resulting from the upgrading will be larger, heavier coils which offer productivity benefits to customers.



The process is called scarfing and ensures blemish free billets.

The 1985-86 program to expand the quality range and increase capacity at L'Orignal anticipates an expanded billet supply expected to start in 1986 resulting from the agreement reached between Ivaco and QIT - Fer et Titane Inc. in 1984. Under the agreement, Ivaco will take up to 225,000 tons of steel billets per year. The virgin ore billets supplied by QIT will enable Ivaco to produce grades of wire rods which normally can only be turned out by the larger integrated mills using blast furnace iron as the principal raw material for steelmaking.

Atlantic Steel

Atlantic Steel produced and shipped record tonnage from its two mills in Georgia during 1985 and continued to make significant productivity gains throughout the year.

Notwithstanding the excellent production performance, the severe competition from both domestic and import competition had a significant adverse effect on prices. Not only were average prices per ton of steel lower than they were in 1984, they were almost 10% lower than they were in 1980.



Hot rolled wire rods complete controlled cooling at L'Orignal, Ontario.



Automated compacting of wire rods at L'Orignal.

The heavy emphasis on cost reduction and productivity programs has shown excellent results. For example, in the five years since 1980, Atlantic has increased its tons produced per employee by more than 60%. A continuing program of energy conservation has also been successful. The most recent move is the addition of advanced new controls on steelmaking and rolling mill rehear furnaces. This was begun during the year and will be completed in 1986.

Progress was made last year in the continuing shift to higher value added products. These include special bar quality steels and high carbon wire rods. Valuable progress was also made in 1985 toward development of new products.

Laclede Steel

Laclede Steel, 51%-owned by Ivaco, operates a high performance midi mill at Alton, Illinois which increased shipments by 12% over 1984 and produced at levels in excess of 90% capacity for most of 1985.

This high level of volume, combined with excellent progress for continued cost reductions, made it possible to contend with sharply lower prices and high levels of imported steel during the year.

Laclede has been for many years a sophisticated steel producer. Some 80% of its output is in the form of alloyed or other special chemistry steels. It is also a large manufacturer of steel pipe and is North America's largest producer of oil-tempered spring wire.



Part of Laclede's ready-for-shipment steel pipe inventory.



In steelmaking jargon, it's the "pulpit" — the control center of the modern rolling mill at Cartersville, Georgia.

Like the other companies in the Ivaco Group, Laclede has an extensive program underway to effect productivity improvements and to install state-of-the-art quality control capability. Some of the major programs completed or initiated during 1985 were:

- Addition of water cooled roofs to the electric steel-making furnaces.
- Improved ladle preheat system.
- Upgraded facilities for ladle additives.
- Modernization of its six strand continuous caster.

The caster modernization will be completed in 1986 and will result in significant production and cost efficiencies. When completed, approximately 50% of Laclede's steel-making capacity will be continuous cast.

Late in the year, Laclede reached an agreement for the acquisition of Presidents Island Steel and Wire Inc., of Memphis, Tennessee. Closing occurred around year end and it is expected to contribute to earnings in 1986.

Operations of Laclede Chain, acquired in 1985, have developed satisfactorily. This division has made a positive contribution to earnings during the year.



This steel skelp is produced by Laclede for pipe manufacture.

WIRE, WIRE PRODUCTS AND NAILS

Your Company is a very large producer of nails, wire, welded wire fabric, fencing, and other wire products. As a result, it is a very large consumer of hot rolled wire rods.

The scale of operations is extensive and the attention to productivity and the harnessing of advancing technology is something that receives continuous attention. As a result, the Ivaco Group has grown to be the world's largest manufacturer of nails and North Amer-



A large scale nail manufacturing facility at Marieval, Québec.



High capacity welded wire fabric production at Baltimore.

ica's largest producer of oil-tempered spring wire and welded wire fabric in addition to its very substantial market share for other types of wire.

Wire and its many products are manufactured at 16 plants covering Canada and the U.S. Eastern Seaboard and the Midwest. Nails are manufactured at five locations in both Canada and the U.S. while welded wire fabric is produced at two plants in Canada and five in the United States.

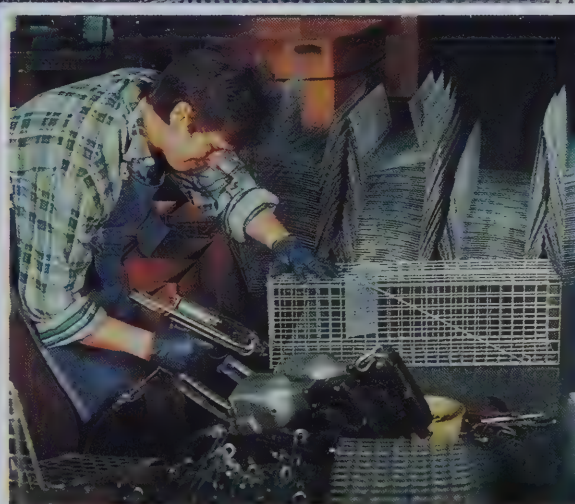
All types of nails are produced and sold in both bulk and collated form. One fast growing segment is the production of machine quality nails for automatic feeding. Development of this market has been augmented by the Company's distributorship for Hitachi pneumatic tools.

A comprehensive range of cold drawn and annealed wire is also offered in a wide variety of finishes and tensile specifications. Galvanized wire to specified zinc coating weights and tensile ranges is also available in all carbon grades.

During 1985, expansion and modernization were completed or underway at virtually all locations. Among the noteworthy projects were: expanded capacity at Quincy, Florida; a warehouse expansion at Warrenton, Virginia; a building extension and new annealing capacity at Ingersoll, Ontario; galvanizing at Dartmouth, Nova Scotia; addition of new technology automated nail machines, galvanizing, upgraded automatic packaging, extended waste control facilities and warehouse expansion at Marieville, Québec.

At National Wire new tonnage records were set for production and shipments in 1985. National is a major producer of welded wire reinforcement fabrics in the U.S. in addition to galvanized and other wire and construction mesh products. During the year it added new welded wire fabric manufacturing equipment to increase capacity and began construction to enlarge its plant at Atlanta, Georgia. When completed later this year, the new facility will give National a much stronger presence in the Southern United States.

During the year, National acquired the rights to 'Pos-i-tie'™, a new innovative system for



A National Wire Corp. customer, Woodstream Corp. of Lititz, Pennsylvania, produces live animal cage traps and other wire products.

anchoring masonry to stud walls, structural steel, concrete, brick and concrete masonry. The Company is convinced it is the best anchoring system available to the masonry trade and will help expand sales of block mesh in 1986 and beyond.

FASTENERS

Bolts and nuts for the construction, automotive, and other manufacturing industries are made by your Company at four modern plants situated in Québec and Ontario. All are large consumers of hot rolled wire rods. They are metallurgically sophisticated and modern in terms of productivity.

A fifth plant, at Beloeil, Québec, provides value added services in the form of electro-galvanizing and hot dip galvanizing for both fasteners and nails.

These extensive operations make Ivaco the largest manufacturer of standard fasteners in the world.

1985 was an excellent year for Ivaco's fastener operations. Tonnage reached record levels, prices firmed slightly, and Federal Bolt and Nut joined the Fastener Group as a result of the acquisition of The AHL Group. In addition, new markets were penetrated and a substantial expansion was underway at Infasco, in Mariville, Québec.

In addition to installation of new high speed bolt makers and extended warehousing, major programs oriented to quality and productivity were underway. These included three new heat treating furnaces, new annealing and packaging capacity and upgraded wire rod cleaning and pickling.

Modern, hot formed nut manufacturing at the Federal Bolt and Nut plant, Toronto.



Infasco recently received important recognition from two major customers. Caterpillar has conferred "supplier of quality material" status and General Motors has awarded the Company its "Spear # 1" award. These distinctions acknowledge high standards for reliability and quality.

Nut production at Infasco Nut in Mississauga, Ontario continued at high levels and its sophisticated products are receiving excellent acceptance by the automotive industry.

Ingersoll Fasteners is the Company's specialist in automotive and other special purpose male fasteners. It shipped record tonnage during the year. New products such as oval neck track bolts and T-head bolts have received excellent customer response.

As a result of its excellent record with a major auto maker, Ingersoll's supplier rating was upgraded during the year.



Part of Federal Bolt and Nut's line of high speed bolt makers.



A newly installed heat treat furnace for fasteners at Mariville, Québec.

This will give it privileged supplier status and will result in further opportunities to quote on additional models.

Galvano is the Company's plant for plating and hot dip galvanizing of its fastener and nail products. Plans are in place to increase capacity in order to meet the demand.

IFC Fasteners is continuing its activities in the U.S. market and despite fierce competition from offshore producers is

progressing in enlarging its market share.

With the acquisition of the Federal Bolt & Nut division, the Fastener Group has consolidated its position on the North American fastener market. It has extended its activities with a wider variety of products and improved penetration of the market. Consolidation of fastener warehouses across Canada is taking place in a very satisfactory manner.

In summary, 1985 was a gratifying year for your Company's Fastener Group. The coming year is expected to be a year of great promise and challenge and the Fastener Group is geared for this challenge and will remain at the forefront of fastener producers on the North American and worldwide markets.



Special oval neck bolt manufactured by Ingersoll Fasteners for Victaulic's pipe couplings.



Finished bolts at the completion of heat treat processing.

WIRE ROPES, CABLES AND STRAND

Wire ropes, cables and strand are precisely engineered products made from high carbon steel wire.

Wrights Canadian Ropes produces wire ropes and cables at Richmond, B.C. and sells across Canada and into the United States. Florida Wire and Cable operates two plants to produce prestressed concrete strand and galvanized wire and strand at Jacksonville and Sanderson, Florida. It is the largest producer of these precision engineered products in the U.S.

Wrights had an improved year in 1985, its best since 1981. Volume was up by some 25% but competition from low-priced imports continued to disrupt the market.

A major highlight during the year was the receipt of an order to supply the wire ropes for the ski chairlifts at all Olympic ski runs now being prepared at Mount Allan, Alberta for the 1988 Winter Olympics. Wrights continues to expand its product range both in supply of larger diameter ropes and in new products. During the year Wrights obtained substantial contracts for products not previously manufactured. These products have a great future potential.

Elsewhere within the Wrights operation, the Company continued its penetration of markets for swaged wire



Production of large diameter wire rope by Wrights Canadian Ropes.

ropes, its new log bundling product progressed well, and its sales of mining ropes increased in both Canada and the U.S.

Production capacity was being expanded at year end by the installation of an additional high performance wire rope machine. It will be operational about mid year.

Florida Wire and Cable maintained a high level of production in spite of aggressive competition from imports. The construction industry which uses prestressed concrete strand was relatively strong in 1985 particularly with respect to highways and bridges.

Florida Wire and Cable was affected by increased imports in the electrical distribution industry which buys galvanized wire and strand. This competition has been coun-

tered somewhat through the increasing effectiveness of a growing group of service centers nationwide. A fabrication facility to provide additional products used in the electrical

distribution and telecommunications industries was initiated by Florida Wire and Cable in 1985 with production scheduled for early 1986.

Fine wire capabilities were launched during late 1985. This effectively broadens Florida Wire and Cable's product line.

Major progress in the acceptance of the FLO-TECH® line of coated strand was achieved as this product made breakthroughs in applications such as the cable stays in the Quincy Bridge in Illinois and as the choice for strand in the Hubbard Creek Bridge in Port Orford, Oregon.



◀ Florida Wire and Cable's proprietary FLO-TECH® coated strand.



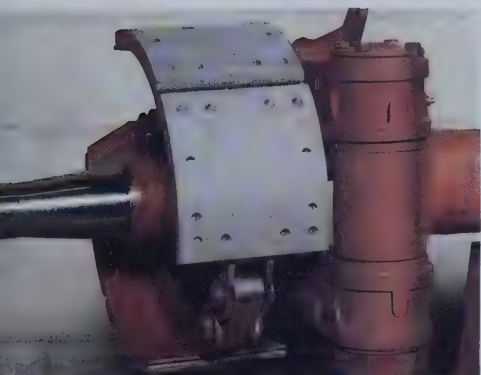
◀ A prestressed concrete bridge girder, reinforced by FLO-TECH®, ready for placement in the Quincy Bridge in Illinois.

PRECISION MACHINED COMPONENTS, AXLES AND FORGINGS

Ingersoll Machine and Tool completed its third expansion in four years during 1985. Included in the program was a building addition and expansion of computer numerical control machining equipment.

The expansion was completed on schedule and the enlarged capacity was substantially absorbed by increased customer demand.

Ingersoll's three main product lines are trailer axles, water pumps and large calibre projectiles. Plans are now being developed to extend the range of products within each line which will offer a wider choice to customers.



Steering axle for heavy duty trucks ready for shipment by Ingersoll Machine and Tool.



Newly installed computer controlled machine tool at Ingersoll Machine and Tool.

The changing market environment has placed a premium on quality and reliability and these factors have clearly displaced quantity as a principal competitive factor. Ingersoll has successfully improved quality while at the same time controlling costs and has thus far effectively contained competition from Japan, Korea and, lately, Thailand in its main markets. Continued emphasis on higher productivity through use of computer numerical control tools has been an important factor.

The Company's P.C. Drop Forgings subsidiary continued its emphasis on quality improvement and cost reduction during the year.

Customer demand for P.C. Drop Forgings' products increased in 1985 against the backdrop of forge closings throughout North America.

During 1985, the agreement between the Government of Canada and Ingersoll Machine and Tool, whereby the Company is designated the preferred supplier of ammunition metal parts over 30mm diameter, was amended and several new products were added to the agreement. The guaranteed annual workload was also increased substantially.

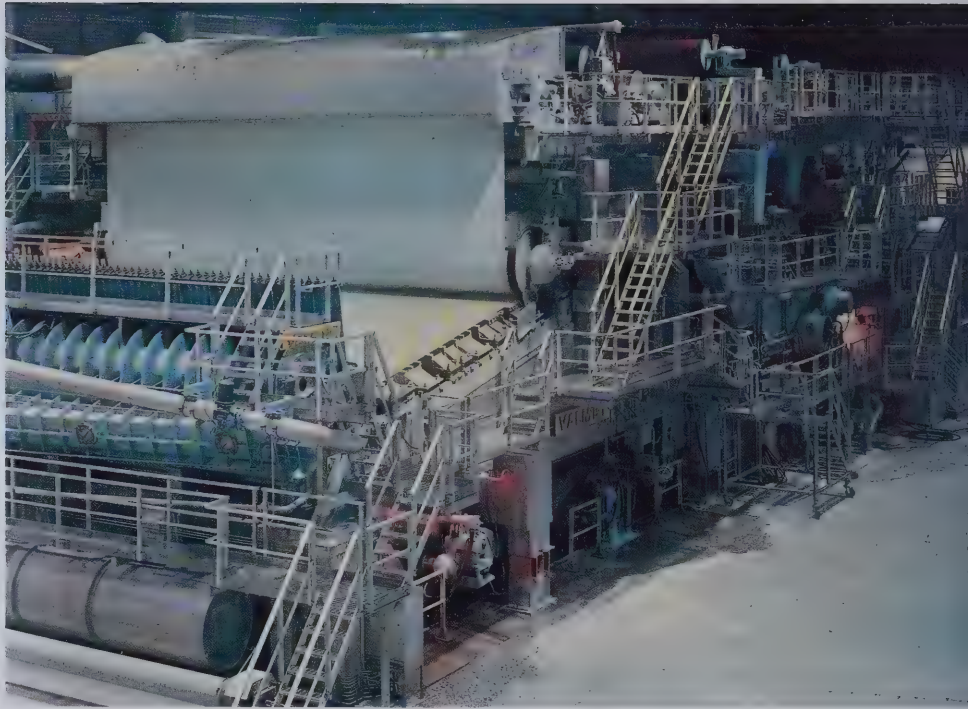
Among other highlights for the year was very strong growth in demand for steering axles.

PAPER MACHINE CLOTHING

Paper machine clothing is the medium on which the paper making fibres are formed into paper and subsequently transported through the pressing and drying processes.

It is a specialized industry requiring high levels of engineering sophistication because each fabric or felt is tailor-made with exacting precision to fit an individual paper machine.

The engineering requirements are changing constantly as paper mills continuously modify their high speed machines to increase the mill's productivity and quality output. As a result, the quality of



A Niagara Lockport forming fabric is installed on one of the world's fastest paper machines.



A dryer felt, individually engineered for a customer's machine, in production at Starkville, Mississippi.

service and product provided by the clothing supplier is a very significant competitive factor in addition to engineering excellence.

Your Company is both an engineering and service leader within the industry and significant attention was given to service capability and product improvement in 1985.

The technology pace accelerated during the year as a number of mills re-engineered their paper machines for increased speeds and productivity. These changes enhanced the need for continued development and use of multi layer

wet felts and forming fabrics, for which your Company is one of the pioneers.

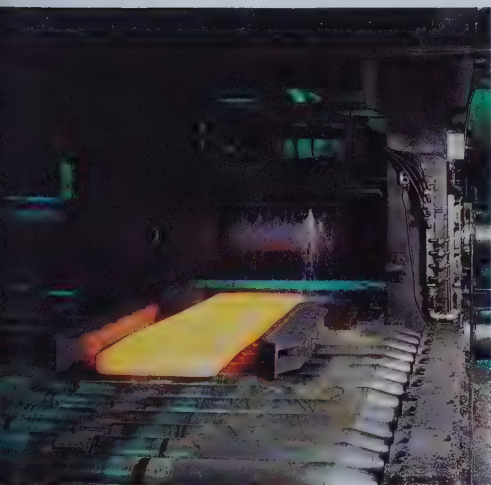
The Company continued to cultivate its export markets during the year. Sales were made to paper mills in 29 countries including Scandinavia and elsewhere in Europe.

As part of a continuous modernization program, new equipment was installed at Warwick and Trois-Rivières, Québec and at Starkville, Mississippi and Quincy, Florida. The Starkville plant also installed modern, new yarn manufacturing equipment and increased their dryer felt manufacturing capability.

INTRODUCTION TO ARROWHEAD AND DOCAP

When your Company acquired The AHL Group during the third quarter of 1985, its operations included: Federal Bolt and Nut, discussed in the Fastener section of this report; ArrowHead Metals, the leading Canadian producer of copper and copper alloy products; and Docap, a distributor of fasteners and automotive aftermarket products.

ArrowHead has a fully integrated brass mill at Toronto which supplies manufacturers, fabricators, and installers with sheet, strip, rod, bar, and extruded shapes in a broad range of coppermetals. It has full scale casting facilities supplying its own finishing mills.



Copper alloy during the production process.

Among its major customers are the Royal Canadian Mint and General Motors, as well as manufacturers of automotive radiators and oil coolers. Other applications include roofing copper, ammunition casings, plumbing goods, and heavy electrical equipment producers of screw machine parts.

ArrowHead's plant covers some one million square feet on a 40 acre site in Toronto. It has some 500 employees.

Docap, two thirds-owned by Ivaco, is a distributor of a wide variety of products including

fasteners to the Canadian automotive aftermarket. It has seven warehouses located from coast to coast in Canada and its more than 16,000 items are sold to the automotive aftermarket, industrial mill supply houses, oil companies, and mass merchandisers. For the majority of its products, Docap is the exclusive distributor for Canada.



Finished product ready for shipment at ArrowHead.

INTRODUCTION TO CANRON

Canron is a diversified industrial enterprise which has manufacturing operations in Canada, the U.S., and Australia. It has six main divisions and several separate corpora-

tions conducting operations in four industry segments, notably plastics and concrete pipe; steel fabrication and service; machinery and equipment; and, iron foundry.

Of the Company's 27 plants, 24 are in Canada, 2 in the United States, and 1 in Australia.

The principal activities of Canron in its four industry segments are:

Plastics and Concrete Pipe

Canron's plastic and concrete pipe divisions are the leaders in their respective markets.

Canron manufactures pipe and fittings for water, waste, drainage, and electrical services. It is one of Canada's largest manufacturers of thermoplastic pipe and has the production and distribution resources to have significant national coverage.



One of the world's most famous landmarks — Battery Park in New York. On completion of current contracts, Canron will have erected steel for three of the buildings.

The plastics division grew dramatically during 1985 both through acquisition and internal expansion.

The division made two acquisitions during 1985. In February it acquired The Grandview Industries Pipe Division. This plastic pipe and conduit producer has added a significant market presence particularly in Western Canada. In July, Western Canada operations were further strengthened by the acquisition of Pacific Plastics, of Langley, B.C.

Late in the year, agreement was reached to acquire the plastic pressure pipe operations of Manville Canada Inc. The acquisition closed early in 1986.

The addition of the Manville pressure pipe products gives Canron comprehensive coverage of the entire market spectrum. In fact, the new products fill the only segment of the Canadian plastic pipe market in which Canron did not have the largest share. The Company is now in a pre-eminent position for the supply of water pressure pipe across Canada.

The Concrete Pipe division is the largest manufacturer of high pressure concrete pipe and fittings in Canada. It has two production facilities, one in Québec and the other in Alberta.

Steel Fabrication and Service

Many significant landmarks in Canada and the U.S. are part of Canron's history as a major fabricator and erector of structural steel. It also serves overseas markets.

The steel fabrication and service segment has two divisions. One is based near Toronto and the other at Vancouver.

The Eastern Structural division has long enjoyed a strong position in the structural steel markets of Eastern Canada and the Northeastern U.S. Recent major contracts include the supply and erection of the structural steel for one of the Merrill Lynch buildings at Battery Park in New York City, the General Motors Oven and Body plant at Oshawa, Ontario, Tower 4 of the Toronto-Dominion Centre in Toronto. The Company is also participating in the construction of the Dofasco caster building in Hamilton.

Canron has been a very significant supplier of structural steel to Olympia and York's world famous Battery Park project in New York City. When current contracts are completed Canron will have supplied and erected the steel for three of the buildings within this remarkably innovative complex.

The current backlog is substantial with a number of major

steel fabrication contracts in hand for 1986.

The Western Bridge division is the largest fabricator and erector of structural steel in Western Canada. It also has a significant business in the U.S. Northwest.

Among major projects completed during the past year were the fabrication of steel for the main span of the Annacis Island Bridge and the fabrication and erection of steel for the British Columbia Pavilion for Expo '86, both in Vancouver, B.C., and for the West Edmonton Mall in Alberta.

Currently, Western Bridge is working on two major office building towers in Seattle, Washington.

Machinery and Equipment

This segment of Canron comprises three divisions, all serving heavy industry.

Canron's Tamper unit is the North American leader for the manufacture of railroad track maintenance equipment. Its headquarters are at Columbia, South Carolina.

Tamper produces machines to align and level railway tracks and it is a significant supplier to the North American market. It also manufactures other railway road bed servicing equipment for such functions as track measuring, inspection and

maintenance. A newly designed product line, designated the Series "C", has received very positive market response from the railway industry throughout North America.

One recently introduced product is a highly efficient railway track shoulder and ballast regulator. It has been extremely well received and substantial sales are anticipated both in North America and overseas.

Pacific Press & Shear makes and sells heavy machinery used in the metal forming industries. It operates from a base near Atlanta, Georgia and manufactures at Mt. Carmel, Illinois.

The Mechanical division is located at Trois-Rivières, Québec. It fabricates a variety of bulk handling equipment, cranes, gear drives, and special purpose machinery for the

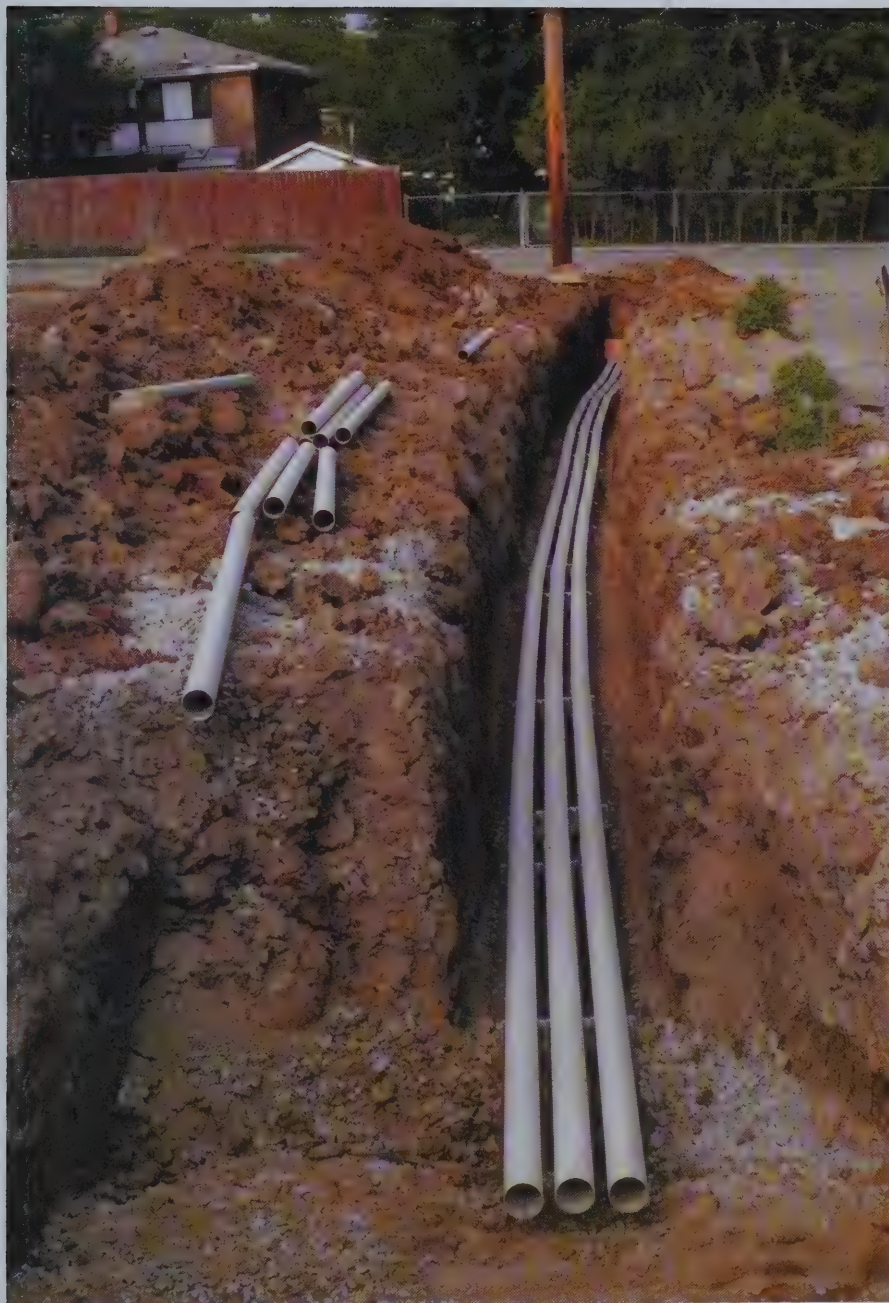
pulp and paper and steel industries.

Iron Foundry

The iron foundry segment of Canron operates within two divisions. One is the major Canadian manufacturer of ductile iron pressure pipe and fittings for water distribution systems. The other is the major producer of ingot moulds for the primary steel industry.



Canron's Tamper Corp. subsidiary is North America's leading supplier of railway track maintenance equipment.



Plastic pipe is Canron's fastest growing product line. This installation is in a Canadian housing subdivision.

Economics for the production of ductile iron pressure pipe improved significantly late in 1985 as a result of the acquisition of Stanton Pipes Ltd., of Hamilton, Ontario. The Stanton operation is contiguous to Canron's Hamilton foundry and the merged operations will make it possible to generate significant savings. While iron pipe is facing increased competition from plastic pipe, the outlook for the newly enlarged Canron Iron Pipe division is favorable.

The Foundry division produces superior ingot moulds for the primary steel industry utilizing modern electric furnace technology. Its recent successful cost reduction program and product upgrade gives the division a significant part of the Canadian market. It has recently introduced compacted graphite ingot moulds which offer superior quality than traditional grey iron ingot moulds.

The Iron Foundry segment also includes a successful joint venture with a major mining company for the manufacture of grinding media and mill liners.

It also operates a service business which applies proprietary coatings to electrodes. The coatings extend the life of the electrodes used in steel mills and other arc furnace applications.

AUDITORS' REPORT

The Shareholders,
Ivaco Inc.

We have examined the consolidated statement of financial position of Ivaco Inc. as at December 31, 1985 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Company as at December 31, 1985 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied, except for the change, with which we concur, in the method of accounting for investment tax credits as explained in Note 2, on a basis consistent with that of the preceding year.

Montréal, Québec
February 26, 1986.

Touche Ross & Co.
Chartered Accountants

CONSOLIDATED STATEMENT OF RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 1985

Thousands of dollars

	1985	1984
Balance at beginning of year	\$125,658	\$111,625
Add		
Net earnings	35,145	33,830
Gain on purchase of preferred shares	37	90
	160,840	145,545
Deduct		
Preferred dividends	20,943	12,299
Dividends on Class A and Class B shares including stock dividends payable in subordinated non-voting preferred shares of which \$550 thousand were issued in 1985 and redeemed in 1986 (\$605 thousand issued in 1984 and redeemed in 1985)	7,478	7,094
Costs relating to issue of capital stock	2,272	494
	30,693	19,887
Balance at end of year	\$130,147	\$125,658

CONSOLIDATED STATEMENT OF EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 1985

Thousands of dollars

	1985	1984
Net sales	\$1,342,670	\$1,193,935
Cost of sales and operating expenses	1,203,758	1,064,645
Depreciation and amortization	39,510	34,538
	1,243,268	1,099,183
Operating income	99,402	94,752
Interest on long-term liabilities	40,757	38,115
Other interest	6,554	6,113
Investment income	(5,499)	(3,899)
	41,812	40,329
Earnings before income taxes and other items	57,590	54,423
Provision for income taxes (Note 9)		
Current	11,307	9,323
Deferred	7,019	6,504
	18,326	15,827
Earnings before other items	39,264	38,596
Minority interest	4,119	6,274
Net earnings before extraordinary gain	35,145	32,322
Extraordinary gain	—	1,508
Net earnings	\$ 35,145	\$ 33,830
Net earnings per Class A and Class B share		
Before extraordinary gain	\$1.04	\$1.53
After extraordinary gain	\$1.04	\$1.64
Assuming full dilution		
Before extraordinary gain	\$1.04	\$1.51
After extraordinary gain	\$1.04	\$1.60

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 1985

Thousands of dollars

		1985	1984
Current assets	Cash	\$ 1,590	\$ 1,262
	Accounts receivable	156,819	132,873
	Inventories (Note 3)	458,126	397,287
	Prepaid expenses	6,551	4,611
	Total current assets	623,086	536,033
Current liabilities	Bank indebtedness, partly secured	9,144	53,143
	Accounts payable and accrued liabilities		
	Trade and other	180,310	165,904
	Directors	6,935	448
	Income taxes	—	7,222
	Current maturities of long-term liabilities	26,192	33,507
	Deferred income taxes	5,478	2,999
	Total current liabilities	228,059	263,223
Working capital		395,027	272,810
	Portfolio investments, at cost (Note 10)	117,329	117,329
	Fixed assets (Note 4)	503,623	441,787
	Other assets and investments (Note 5)	37,401	22,180
Total investment		1,053,380	854,106
	Deduct		
	Long-term liabilities (Note 6)	395,849	350,756
	Accrued costs of pension plans (Note 7)	27,229	31,084
	Deferred income taxes	49,835	52,355
	Minority interests	59,861	53,018
		532,774	487,213
Shareholders' equity		\$ 520,606	\$366,893
Represented by	Capital stock (Note 8)	\$ 358,745	\$221,770
	Cumulative translation adjustment	31,714	19,465
	Retained earnings	130,147	125,658
		\$ 520,606	\$366,893

On behalf of the Board

Isin Ivanier, Director

Paul Ivanier, Director

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

FOR THE YEAR ENDED DECEMBER 31, 1985

Thousands of dollars

		1985	1984
Operating activities	Operations		
	Net earnings before extraordinary gain	\$ 35,145	\$ 32,322
	Depreciation and amortization	39,510	34,538
	Deferred income taxes	7,019	6,504
	Minority interest	4,119	6,274
	Other items	(1,169)	742
	Working capital provided from operations	84,624	80,380
	Increase in non-cash working capital items	(27,662)	(86,689)
	Cumulative translation adjustment	8,432	7,424
	Other items	(2,486)	(1,490)
	Cash provided by (used in) operating activities	62,908	(375)
Financing activities	Issue of capital stock	137,630	30,147
	Stock issue and debenture costs	(6,053)	(494)
	Dividends	(27,871)	(18,788)
	Additional long-term liabilities	154,813	110,755
	Repayment of long-term liabilities	(157,685)	(58,167)
	Bank indebtedness of acquired subsidiary	(21,143)	—
	Other items	(1,168)	(535)
	Cash provided by financing activities	78,523	62,918
Investing activities	Acquisition of subsidiaries (Note 11)	(42 836)	—
	Investment in Canron Inc.	(7 318)	—
	Net additions to fixed assets	(46,320)	(39,530)
	Sale of subsidiary and property	—	13,886
	Increase in portfolio investments	—	(84,873)
	Other items	(630)	(3,677)
	Cash used in investing activities	(97,104)	(114,194)
Bank indebtedness net of cash	Decrease (increase) in bank indebtedness	44,327	(51,651)
	Balance at beginning of year	(51,881)	(230)
	Balance at end of year	\$ (7,554)	\$ (51,881)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

1. Significant accounting policies

The Company follows accounting principles generally accepted in Canada in the preparation of its consolidated financial statements.

Basis of consolidation

The consolidated financial statements include the accounts of Ivaco Inc. and its subsidiaries. The excess of cost over net assets at the dates of acquisition is allocated to fixed assets and is being depreciated over the estimated useful lives of the respective fixed assets. Investments in companies in which Ivaco has a 20% to 50% ownership interest are carried on the equity method of accounting. The differences between the underlying book value of net assets at the dates of acquisition and the purchase price are being amortized over the estimated useful lives of the investees' fixed assets.

Foreign currency translation

Assets and liabilities of foreign operations are translated into Canadian dollars at year end exchange rates. Gains and losses on translation are deferred and included as a separate component of shareholders' equity. Income and expenses are translated at average exchange rates prevailing during the year.

Foreign assets and liabilities of Canadian operations are translated into Canadian dollars at year end exchange rates. Gains and losses are included in the determination of net earnings except for unrealized translation gains and losses on long-term monetary items which are deferred and are amortized over the remaining lives of the related items. Income and expenses are translated at average exchange rates prevailing during the year.

Inventories

Inventories are stated at the lower of cost (determined substantially on the first-in, first-out method) and net realizable value.

Fixed assets and depreciation

Fixed assets are stated at cost after deducting related investment tax credits and government grants. Interest costs related to major capital expenditures are capitalized during the period of construction. Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets as follows:

Buildings	40 years
Steelmaking and rolling mill equipment	25 years
Manufacturing equipment	15 years

Deferred preproduction costs

Certain costs relating to the start-up of new facilities and major plant additions, incurred prior to the commencement of commercial production, are deferred and amortized over periods of up to five years.

Net earnings per Class A and Class B share

Net earnings per Class A and Class B share are calculated after deducting dividends on preferred shares and second preferred shares using the weighted average number of shares outstanding during the year. Fully diluted net earnings per Class A and Class B share are calculated assuming full conversion of all second preferred shares and all outstanding warrants and stock options had been exercised at the beginning of the year.

- 2. Change in an accounting policy** Effective January 1, 1985 the Company changed its method of accounting for investment tax credits by adopting prospectively the recommendations of the Canadian Institute of Chartered Accountants. This accounting change resulted in a decrease in net earnings for the year of \$2.4 million or \$0.18 per Class A and Class B share.

3. Inventories	Thousands of dollars	
	1985	1984
Finished and semi-finished	\$244,045	\$185,967
Raw materials and supplies	214,081	211,320
Total inventories	\$458,126	\$397,287

4. Fixed assets	Thousands of dollars	
	1985	1984
Land	\$ 11,815	\$ 9,012
Buildings	145,884	116,376
Machinery and equipment	741,004	616,932
	898,703	742,320
Less: Accumulated depreciation	396,564	304,867
	502,139	437,453
Cash held for investment in fixed assets	1,484	4,334
Total fixed assets	\$503,623	\$441,787

5. Other assets and investments	Thousands of dollars	
	1985	1984
Deferred preproduction costs and other deferred charges, less amortization	\$ 3,460	\$ 5,470
Deferred financing costs, less amortization	5,532	819
Deferred translation adjustment, less amortization	11,496	8,045
Investment in Canron Inc., at cost	7,318	—
Investment in non-consolidated companies, at equity	4,829	4,493
Other items	4,766	3,353
Total other assets and investments	\$37,401	\$22,180

6. Long-term liabilities

	Thousands of dollars	
	1985	1984
Secured		
Debentures maturing in 1993		
Series A at 11.74% (\$15.7 million U.S.)	\$ 21,953	\$ 23,526
Series B at 12.48%	12,600	14,300
Revolving bank loan maturing to 1992 of which		
\$57.2 million are in U.S. funds*	90,265	97,055
Bank loans*	—	102,908
Industrial Revenue Bonds principally at 7.6% maturing		
to 2001 (\$16.5 million U.S.)	23,015	18,834
Mortgages principally at 10.0% maturing to 2002	6,705	6,587
Unsecured		
9.5% exchangeable debentures maturing on April 15,		
2010 (Note 10)	95,267	—
Revolving bank loans maturing to 1995*	29,836	7,836
Bank loans, of which \$39.5 million are in U.S. funds,		
maturing to 1990*	57,962	34,164
Notes principally at 8.3% maturing to 2001		
(\$40.7 million U.S.)	56,904	56,698
Deferred accounts payable principally at 9.8%, of which		
\$8.9 million are in U.S. funds, maturing to 1990	15,661	15,463
Other	11,873	6,892
	422,041	384,263
Less current maturities	26,192	33,507
Total long-term liabilities	\$395,849	\$350,756

Required payments over the next five years are:

\$26.2 million in 1986; \$23.6 million in 1987; \$32.4 million in 1988; \$52.5 million in 1989; and \$28.6 million in 1990.

The 9.5% exchangeable debentures maturing April 15, 2010 are exchangeable, at the option of the holders, for 2,977,094 common shares of Dofasco Inc. owned by the Company.

The exchangeable debentures bear interest at 9.5% per annum to April 15, 1990 and after April 15, 1990, at a semi-annual rate equal to the sum of (i) the cash dividends paid by Dofasco per Dofasco common share during the six calendar months immediately preceding the interest payment date divided by \$32.00, expressed as a percentage and (ii) 2.5%.

* At the Company's option bank loans bear interest relating to either Prime, Bankers' Acceptance rates, Domestic fixed rates or U.S. dollar LIBOR rates. At December 31, 1985, the average interest rate on debt outstanding under these agreements was 9.7% in Canada and 8.8% in the United States. In addition, the Company may negotiate fixed rates of interest on \$146 million of its floating rate debt which amounted to \$170 million at December 31, 1985.

7. Pensions and accrued costs of pension plans

The Company and its subsidiaries have pension plans covering a majority of employees. Pension expense in 1985 of \$16.0 million (1984 — \$16.0 million) includes amortization of past service costs over periods of 15 to 40 years.

The actuarially computed value of vested benefits as of the dates of the most recent actuarial studies exceeded the market value of pension fund assets and year end accruals by approximately \$24.1 million.

8. Capital stock *Authorized*

An unlimited number of preferred shares issuable in series, second preferred shares issuable in series, subordinated non-voting preferred shares, Class A subordinate voting shares (Class A shares) and Class B voting shares (Class B shares) — all without par value.

Issued and outstanding

	Number of shares		Thousands of dollars	
	1985	1984	1985	1984
Preferred shares				
\$4.425 Series C	231,550	243,550	\$ 11,577	\$12,178
\$2.50 Series D	695,200	695,200	17,380	17,380
\$2.40 Series E	826,180	—	20,655	—
Second preferred shares				
\$2.00 Series 1	1,999,600	2,000,000	49,990	50,000
\$2.00 Series 2	1,999,400	2,000,000	49,985	50,000
\$2.25 Series 3	1,200,000	1,200,000	30,000	30,000
\$2.72 Series 4 (Note 10)	3,000,000	—	96,000	—
Subordinated non-voting preferred shares	54,952	60,486	550	605
Class A shares (Note 14)	6,871,813	5,466,232	63,035	40,897
Class B shares	7,300,486	7,638,010	19,573	20,710
Total capital stock			\$358,745	\$221,770

Preferred shares

The preferred shares are non-voting and each series of preferred shares ranks equally with all other series of preferred shares and ahead of the second preferred shares, subordinated non-voting preferred shares and Class A and Class B shares.

Series C

The \$4.425 Series C cumulative redeemable preferred shares may be purchased by the Company on the open market at prices not exceeding the applicable redemption price. The Company will make all reasonable efforts to purchase 3,000 shares for cancellation on the open market in each calendar quarter at prices not exceeding \$50 per share. During the year, 12,000 such shares were purchased and cancelled. The Series C preferred shares may be redeemed at a premium of \$1.875 per share to July 1, 1986, decreasing by \$0.375 each year commencing thereafter up to and including July 1, 1990, and thereafter without premium.

Series D

The \$2.50 Series D cumulative redeemable preferred shares may be purchased by the Company on the open market at prices not exceeding \$26.50 per share prior to October 1, 1987 and thereafter at prices not exceeding the applicable redemption price. The Company will make all reasonable efforts to purchase 3,600 shares for cancellation on the open market in each calendar quarter to September 30, 1986 and 7,200 shares for each quarter thereafter at prices not exceeding \$25 per share. During the year the market price exceeded \$25 per share, accordingly no shares were purchased. The Series D preferred shares may be redeemed on or after October 1, 1986 at a premium of \$1.50 per share in the first year, decreasing by \$0.25 each year commencing thereafter up to and including October 1, 1992 and thereafter without premium. On October 1, 1986 the Company will purchase for redemption, at the option of each holder, at \$25 per share, 360,000 shares less the number of shares previously redeemed or purchased and on October 1, 1992 the Company will purchase all other shares tendered at \$25 per share.

8. Capital stock

(Continued)

Series E

The \$2.40 Series E cumulative redeemable preferred shares may be purchased by the Company on the open market at prices not exceeding \$26.50 per share prior to October 1, 1991 and thereafter at prices not exceeding the applicable redemption price. Commencing October 1, 1986, the Company will make all reasonable efforts to purchase 4,250 shares for cancellation on the open market in each calendar quarter to September 30, 1991 and 8,500 shares for each quarter thereafter at prices not exceeding \$25 per share. The Series E preferred shares may be redeemed on or after October 1, 1991 at a premium of \$1.50 per share in the first year, decreasing by \$0.25 each year commencing thereafter up to and including September 30, 1997 and thereafter without premium. On October 1, 1991 the Company will purchase for redemption, at the option of each holder, at \$25 per share, 425,000 shares less the number of shares previously redeemed or purchased and on October 1, 1997 the Company will purchase all other shares tendered at \$25 per share.

Second preferred shares

The second preferred shares are non-voting and each series of second preferred shares ranks equally with all other series of second preferred shares and after the preferred shares and ahead of the subordinated non-voting preferred shares and the Class A and Class B shares.

Series 1

The \$2.00 Series 1 cumulative redeemable second preferred shares are convertible at the option of the holder on or before August 15, 1990 into $1\frac{1}{3}$ Class A shares for each Series 1 second preferred share, if not called for redemption by the Company or converted by the holder prior to that time. The Series 1 second preferred shares are not redeemable prior to August 15, 1986. A purchase obligation commences in 1990.

Series 2

The \$2.00 Series 2 cumulative redeemable second preferred shares are convertible at the option of the holder on or before December 18, 1990 into $1\frac{1}{3}$ Class A shares for each Series 2 second preferred share, if not called for redemption by the Company or converted by the holder prior to that time. The Series 2 second preferred shares are not redeemable prior to December 18, 1986. A purchase obligation commences in 1991.

Series 3

The \$2.25 Series 3 cumulative redeemable second preferred shares are convertible at the option of the holder on or before August 15, 1990 into 1.39 Class A shares for each Series 3 second preferred share, if not called for redemption by the Company or converted by the holder prior to that time. The Series 3 second preferred shares are not redeemable prior to August 15, 1987. A purchase obligation commences in 1991.

Series 4

The \$2.72 Series 4 cumulative redeemable exchangeable second preferred shares are exchangeable, at the option of the holder, for 3,000,000 common shares of Dofasco Inc. After April 15, 1990 cumulative preferential per share dividends will be determined by applying to \$32.00 a quarterly rate equal to the sum of (i) the cash dividends paid by Dofasco Inc. per common share of Dofasco Inc. during the three calendar months immediately preceding the dividend payment date divided by \$32.00 expressed as a percentage, and (ii) 1%.

Subordinated non-voting preferred shares

The subordinated non-voting preferred shares are redeemable at issue price and rank after the preferred shares and second preferred shares and ahead of the Class A and Class B shares in respect of non-cumulative dividends of \$0.50 per share.

8. Capital stock (Continued)

Class A subordinate voting and Class B voting shares

The Class A subordinate voting shares (Class A shares) carry one vote per share and the Class B voting shares (Class B shares) carry ten votes per share. The Class A shares have a dividend rate equal to 120% of any dividend declared on the Class B shares.

The Class A shares and the Class B shares are treated equally in the event of liquidation or in any subdivision or consolidation of either class. In the event an acquisition offer is made to holders of Class B shares and at least 50% of the Class B shares are tendered in acceptance of the offer and a similar offer is not made to holders of Class A shares then each Class A share will for purposes of the offer be deemed to have been converted into a Class B share in order that the Class A shares will be treated equally with the Class B shares.

The Class B shares may be converted into an equal number of Class A shares at any time.

During the year the following transactions occurred in connection with the Class A shares and the Class B shares:

	Number of shares		Thousands of dollars	
	Class A	Class B	Class A	Class B
Balance at December 31, 1984	5,466,232	7,638,010	\$40,897	\$20,710
Acquisition of The AHL Group Limited	1,040,888		20,653	
Conversion from:				
Class B to Class A	337,524	(337,524)	1,137	(1,137)
Series 1 second preferred to Class A	533		10	
Series 2 second preferred to Class A	799		15	
Issued for cash under Employees' Stock Option Plan	25,837		323	
Balance at December 31, 1985	6,871,813	7,300,486	\$63,035	\$19,573

Warrants

At December 31, 1985, 799,880 Class A share purchase warrants were outstanding. Each warrant entitles the holder to purchase one Class A share at \$18.75 until August 15, 1988.

Stock options

At December 31, 1985 options for 99,797 Class A shares granted under the employees' stock option plan were outstanding at \$9.56 per share. During the year, the Company granted Caisse de Dépôt et Placement du Québec a non-transferable option exercisable to September 23, 1986 to purchase up to 550,000 Class A shares at \$23.00 per share. If exercised, the option may be satisfied by newly issued shares or otherwise, at the option of the Company.

9. Income taxes

	1985	1984
Combined basic federal and provincial income tax rate	47.5%	47.0%
Income tax adjustments resulting from:		
Canadian manufacturing and processing credits	(4.7)	(4.4)
Inventory allowances	(3.8)	(2.7)
Investment tax credits	—	(4.1)
Difference between Canadian and foreign tax rates and other items	(2.8)	(3.4)
Items not subject to tax	(4.4)	(3.3)
Effective income tax rate	31.8%	29.1%

10. Portfolio investments

Pursuant to the terms and conditions of trust agreements dated April 2, 1985, the Company pledged its holdings of 5,977,094 common shares of Dofasco Inc. to secure the exchange privileges attaching to the 9.5% exchangeable debentures and the \$2.72 Series 4 cumulative redeemable exchangeable second preferred shares.

11. Acquisitions*The AHL Group Limited*

Effective August 16, 1985 the Company acquired all of the outstanding shares of The AHL Group Limited of Toronto, Ontario for a total of \$42.0 million. The purchase price was satisfied by the issuance of 826,180 \$2.40 cumulative redeemable preferred shares, Series E and 1,040,888 Class A shares.

Presidents Island Steel & Wire Inc.

The Company acquired effective December 31, 1985, through its 51% owned subsidiary, Laclede Steel Company, all of the outstanding shares of Presidents Island Steel & Wire Inc. of Memphis, Tennessee for \$0.8 million cash.

Both of these acquisitions have been accounted for by the purchase method. Accordingly, the consolidated financial statements include the results of their operations since their respective dates of acquisition.

Summarized below are the assets and liabilities of the aforementioned companies at their respective dates of acquisition.

	Thousands of dollars
Current assets	\$73,858
Current liabilities	58,292
Working capital	15,566
Net fixed assets	33,575
Other assets and investments	954
Deferred income taxes	2,732
Long-term liabilities	(9,991)
Total acquisition cost	\$42,836

12. Transactions with related parties

From time to time the Company borrows short-term funds from directors who are senior officers of the Company and makes drawings available to them, all at prime interest rates. At no time during the year have drawings by these persons exceeded the short-term funds loaned by them to the Company.

13. Comparative figures The 1984 figures have been reclassified to conform with the presentation adopted in 1985.

14. Subsequent event On January 17, 1986, the Company completed its acquisition of 95% of the common stock of Canron Inc. on a fully diluted basis. The purchase price was satisfied by the payment of \$78.5 million cash and by the issuance of 3,791,248 Class A shares.

The Memorandum of Agreement between the Company and Canron provides amongst other things and under certain conditions that the Company will use its reasonable best efforts to reduce its direct holdings of Canron to 51% of Canron's common stock by December 15, 1988.

15. Segmented information The Company operates as a steel producer and manufacturer of a wide variety of steel products which is its principal line of business and dominant segment. Manufacturing operations are located in Canada and the United States and produce similar products from raw materials a substantial portion of which is supplied by the Company's steel mills in both countries. Transfers between geographic segments are made at fair market value. Canadian sales to outside customers include export sales in 1985 of \$254 million (1984 — \$231 million) primarily to customers in the United States. Highlighted below is a breakdown of net sales, operating income and identifiable assets by geographic segment.

Thousands of dollars

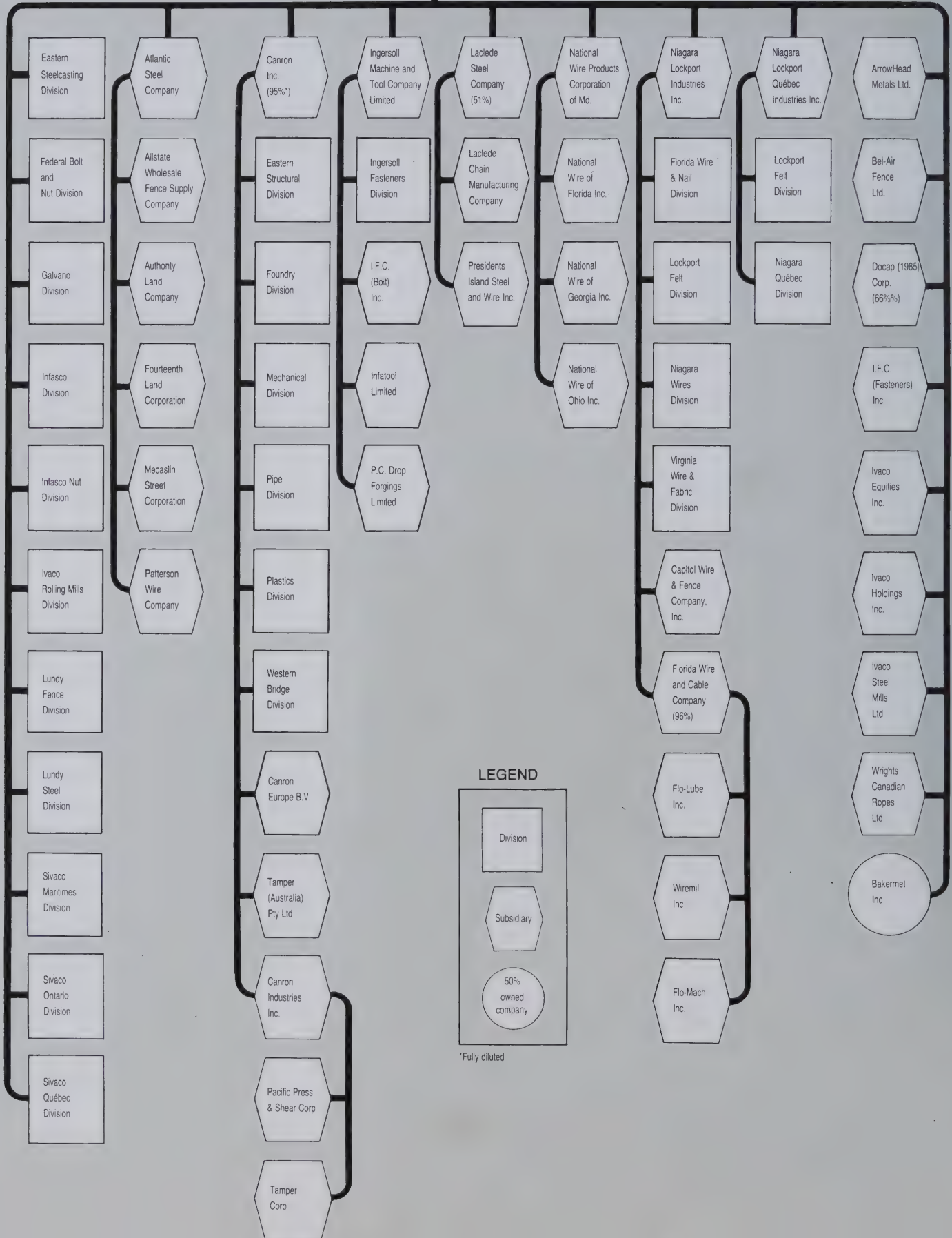
	1985				1984			
	Canada	U.S.A.	Eliminations	Consolidated	Canada	U.S.A.	Eliminations	Consolidated
Net sales	(in thousands)				(in thousands)			
Outside customers	\$523,979	\$818,691	\$ —	\$1,342,670	\$410,309	\$783,626	\$ —	\$1,193,935
Intersegment exports	45,801	3,180	(48,981)	—	45,504	1,441	(46,945)	—
Total sales	\$569,780	\$821,871	\$ (48,981)	\$1,342,670	\$455,813	\$785,067	\$ (46,945)	\$1,193,935
Operating income								
Outside customers	\$ 75,309	\$ 21,277		\$ 96,586	\$ 61,720	\$ 30,029		\$ 91,749
Intersegment exports	2,439	377		2,816	2,842	161		3,003
Total operating income	\$ 77,748	\$ 21,654		99,402	\$ 64,562	\$ 30,190		94,752
Interest expense				(47,311)				(44,228)
Investment Income				5,499				3,899
Earnings before income taxes and other items				57,590				54,423
Income taxes				18,326				15,827
Earnings before other items				39,264				38,596
Minority interest				(4,119)				(6,274)
Net earnings before extraordinary gain				35,145				32,322
Extraordinary gain				—				1,508
Net earnings				\$ 35,145				\$ 33,830
Assets identifiable by segment	\$916,727	\$392,598	\$ (27,886)	\$1,281,439	\$576,184	\$563,758	\$ (22,613)	\$1,117,329

FINANCIAL SUMMARY

MILLIONS OF DOLLARS EXCEPT PER SHARE AMOUNTS

Operating Results	1985	1984	1983	1982	1981
Net sales	\$1,342.7	1,193.9	754.7	681.7	718.3
Depreciation and amortization	\$ 39.5	34.5	27.0	23.9	19.6
Operating income	\$ 99.4	94.8	40.7	28.7	79.5
Earnings (loss) before income taxes and other items	\$ 57.6	54.4	(0.3)	(25.7)	33.9
Provision for income taxes	\$ 18.3	15.8	(5.9)	(15.3)	8.6
Earnings (loss) before other items	\$ 39.3	38.6	5.6	(10.4)	25.3
Net earnings (loss) before extraordinary item	\$ 35.1	32.3	0.8	(9.9)	25.3
Net earnings (loss)	\$ 35.1	33.8	0.8	(9.9)	28.4
Net earnings (loss) Per Class A and Class B Share					
Before extraordinary item	\$ 1.04	1.53	(0.34)	(1.20)	2.08
After extraordinary item	\$ 1.04	1.64	(0.34)	(1.20)	2.37
Return on sales	% 2.6	2.8	0.1	(1.5)	4.0
Financial Position	1985	1984	1983	1982	1981
Current assets	\$ 623.1	536.0	461.8	347.6	335.5
Current liabilities	\$ 228.1	263.2	191.0	204.7	223.3
Working capital	\$ 395.0	272.8	270.8	142.9	111.8
Net additions to fixed assets	\$ 46.3	39.5	16.6	42.6	60.8
Total assets	\$1,281.4	1,117.3	890.0	740.4	706.3
Long-term liabilities	\$ 395.8	350.8	263.4	273.4	207.3
Shareholders' equity	\$ 520.6	366.9	303.3	194.9	206.3
Dividends	\$ 28.4	19.4	10.3	7.0	9.3
Book value per Class A and Class B share	\$ 15.01	14.30	13.22	14.25	17.90

1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969
621.9	495.4	265.9	166.8	136.0	103.0	150.7	90.2	53.9	43.2	27.6	11.0
14.9	11.4	8.0	6.8	6.1	3.6	3.3	2.4	1.5	1.2	0.7	0.3
67.1	85.3	49.0	21.6	14.4	10.5	40.4	15.3	9.6	7.9	6.5	2.3
41.1	69.0	41.1	14.6	7.2	6.4	37.6	14.2	8.9	7.5	4.6	2.2
12.4	25.4	16.7	4.6	1.6	1.7	16.5	5.8	4.1	3.7	2.3	1.1
28.7	43.6	24.4	10.0	5.6	4.7	21.1	8.4	4.8	3.8	2.3	1.1
28.3	42.7	24.0	9.8	5.4	4.5	20.4	8.1	4.6	3.7	2.2	1.0
28.3	42.7	24.0	9.8	5.4	5.4	20.4	8.1	4.6	3.7	2.1	1.0
2.47	3.98	2.20	0.89	0.52	0.43	2.12	0.87	0.54	0.45	0.34	0.20
2.47	3.98	2.20	0.89	0.52	0.52	2.12	0.87	0.54	0.45	0.33	0.20
4.6	8.6	9.0	5.9	4.0	4.4	13.6	9.0	8.6	8.5	7.5	9.2
1980	1979	1978	1977	1976	1975	1974	1973	1972	1971	1970	1969
273.7	257.3	131.2	105.9	100.6	88.6	76.8	44.0	35.3	28.1	12.1	4.3
143.8	147.0	74.1	69.5	69.5	59.5	45.9	25.6	22.2	18.4	7.4	3.0
129.9	110.3	57.1	36.4	31.1	29.1	30.9	18.4	13.1	9.7	4.7	1.3
64.1	34.3	27.6	19.7	7.4	16.0	32.4	14.6	6.9	8.3	2.5	0.9
572.7	483.7	278.5	224.9	203.5	188.0	160.4	102.9	70.2	52.9	24.5	9.3
187.5	143.2	58.4	30.8	32.2	33.5	29.8	18.6	14.7	7.2	2.2	2.1
187.8	151.7	116.8	95.6	74.2	70.8	67.3	48.1	26.5	21.8	8.9	2.6
8.4	7.9	5.3	2.6	1.9	1.9	1.7	0.4	0.2	0.2	—	—
15.95	13.95	10.50	8.53	7.82	7.43	7.05	4.89	3.14	2.57	1.66	0.65



ArrowHead Metals Ltd.

260 Eighth Street
Toronto, Ontario M8V 3E1
416/259-6611

Copper and copper alloy products

Atlantic Steel Company

1300 Mecaslin N.W.
P.O. Box 1714
Atlanta, Georgia 30301
404/875-3441

Steel billets, reinforcing bars, hot rolled bars, hot rolled wire rods, bright and galvanized manufacturers' wire, farm fencing, barbed wire, annealed manufacturers' wire, and nails

Atlantic Steel Company

P.O. Box 1069
Cartersville, Georgia 30120
404/382-8420

Steel billets, reinforcing bars, and hot rolled bars

Bakermet Inc.

2555 Sheffield Road
Ottawa, Ontario K1B 3V6
613/745-7006

Processing of scrap metal

Bel-Air Fence Ltd.

10095, boul. Henri-Bourassa est
Montréal, Québec H1C 1G5
514/325-4015

Distribution and installation of fencing products and accessories

Canron Eastern Structural Division

100 Disco Road
Rexdale, Ontario M9W 1M1
416/675-6400

Structural steel fabrication and erection

Canron Foundry Division

3050 Harvester Road
Burlington, Ontario L7N 3K7
416/681-1221

Plants at Hamilton and St. Thomas, Ontario; St-Hubert, Québec
Ingot moulds and castings

Canron Mechanical Division

227 rue St. Maurice
Trois-Rivières, Québec
G9A 3N8
819/378-4801

Industrial machinery, cranes and hoists, gear drives and custom fabrication

Canron Pipe Division

101 Queensway W.
Mississauga, Ontario L5B 2P7
416/276-7311

Plants at Ville d'Anjou, Québec; Hamilton, Ontario; Cochrane, Alberta

Concrete and iron pipe and fittings

Canron Plastics Division

1st floor, Wing 3
Port of Montréal Building
Cité du Havre
Montréal, Québec H3C 3R5
514/861-7221

Plants at Saint John, New Brunswick; Berthierville, Montréal, and St. Jacques, Québec; Weston and Rexdale, Ontario; Weyburn, Saskatchewan; Fort Saskatchewan, Alberta; and Langley, British Columbia
Plastic pipe and fittings for industry, sanitation, and agriculture; plastic furniture and other specialties

Canron Tamper Canada Division

171 Eastern Avenue
Toronto, Ontario M5A 1H7
416/363-8801

Railway maintenance equipment

Canron Western Bridge Division

145 West First Avenue
Vancouver, British Columbia V5Y 1A2
604/874-2311

Structural steel fabrication and erection

Capitol Wire & Fence Company, Inc.

3334 Kenilworth Avenue
Hyattsville, Maryland 20781
301/779-7000

Wire and chain link fencing

Docap (1985) Corp.

21 Fasken Drive
Rexdale, Ontario M9W 5M2
416/675-7571

Distribution to automotive and mill supply outlets

Eastern Steelcasting Division

P.O. Box 510
L'Orignal, Ontario K0B 1K0
613/675-4671

Steel billets

Federal Bolt and Nut Division

55 Brown's Line
Toronto, Ontario M8W 3S4
416/251-4131

Bolts, nuts and fastener products

Flo-Lube Inc.

2 Wiremil Road
Sanderson, Florida 32087
904/781-9224

Wire drawing lubricants

Flo-Mach, Inc.

825 North Lane Avenue
P.O. Box 6835
Jacksonville, Florida 32205
904/781-9224

Wire processing equipment

Florida Wire and Cable Company

825 North Lane Avenue
P.O. Box 6835
Jacksonville, Florida 32205
904/781-9224

High carbon wire
and stranded products

Florida Wire & Nail Division

P.O. Box 816
Quincy, Florida 32351
904/875-1150

Wire and nails

Galvano Division

2620, rue Bernard-Pilon
Beloeil, Québec J3G 4S5
514/464-0547

Electro-galvanizing and
hot dip galvanizing
of fasteners and nails

I.F.C. (Bolt) Inc.

Thomas Street
P.O. Box 40
Ingersoll, Ontario N5C 3K6
519/485-4610

Bolts and nuts

I.F.C. (Fasteners) Inc.

700, rue Ouellette
P.O. Box 970
Marieville, Québec J0L 1J0
514/658-8741

Bolts and nuts

Infasco Division

700, rue Ouellette
P.O. Box 970
Marieville, Québec J0L 1J0
514/658-8741

Bolts, nuts and fastener
product

Infasco Nut Division

7283 Torbram Road
Mississauga, Ontario L4T 1G8
416/677-8920

Bolts, nuts and fastener
products

Infatool Limited

Ingersoll Street
P.O. Box 68
Ingersoll, Ontario N5C 3K1
519/485-4531

Dies and specialty tooling

Ingersoll Fasteners Division

Thomas Street
P.O. Box 40
Ingersoll, Ontario N5C 3K1
519/485-4610

Bolts, nuts and fastener
products

Ingersoll Machine and Tool Company, Limited

347 King Street West
P.O. Box 250
Ingersoll, Ontario N5C 3K6
519/485-2210

Precision machined
components and axles

Ivaco Rolling Mills Division

P.O. Box 322
L'Orignal, Ontario K0B 1K0
613/675-4671

Hot rolled wire rods

Laclede Chain Manufacturing Company

Maryville, Missouri 64468
816/582-2161

Chain manufacturing

Laclede Steel Company

Equitable Building
St. Louis, Missouri 63102
314/425-1400

Cold drawn wire, high carbon
and oil-tempered; continuous
weld pipe, A120/A53 and
AP15L line pipe; hot rolled
products, alloy and special
quality bars, flat bars, narrow
plate, strip, hot rolled wire
rods, and forging billets

Lundy Fence Division

1900 Gage Court
Mississauga, Ontario L5S 1M2
416/671-4694

Barbed wire, chain link and
farm fence

Lundy Steel Division

Forest Street East
Dunnville, Ontario N1A 2X5
416/774-7581

Wire, welded wire fabric,
galvanized wire, barbed wire,
farm and chain link fencing

National Wire of Florida Inc.

1314 - 31st Street
Tampa, Florida 33605
813/248-4134

Wire and welded wire fabric

National Wire of Georgia Inc.

520 Selig Drive
Atlanta, Georgia 30336
404/691-0770

Wire and welded wire fabric

National Wire of Georgia Inc.

U.S. Highway 17
& Birkenhead Road
Savannah, Georgia 31407
912/964-1666

Wire and welded wire fabric

National Wire of Ohio Inc.

832 North Lallendors Road
Toledo, Ohio 43616
419/698-8037

Wire and welded wire fabric

National Wire Products Corporation of Md.

8203 Fischer Road
Baltimore, Maryland 21222
301/477-1700

Wire, galvanized wire and
welded wire fabric

Niagara Lockport Industries Inc.
(Lockport Felt Division)
Highway 12 West
Starkville, Mississippi 39759
601/323-4064

Paper machine clothing
(wet and dryer felts)

Niagara Lockport Industries Inc.
(Niagara Wires Division)
High Bridge Road
P.O. Box 979
Quincy, Florida 32351
904/627-7141

Paper machine clothing
(wet end forming fabrics)

Niagara Lockport Québec Industries Inc.
(Lockport Felt Division)
1, boulevard Lee
P.O. Box 420
Warwick, Québec J0A 1M0
819/358-5566

Paper machine clothing
(wet and dryer felts)

Niagara Lockport Québec Industries Inc.
(Niagara Québec Division)
2106, rue Bellefeuille
P.O. Box 939
Trois-Rivières, Québec
G9A 3Y9
819/379-5555

Paper machine clothing
(wet end forming fabrics)

Pacific Press & Shear Corp.
5335 Oakbrook Parkway
Norcross, Georgia 30093
414/923-7676

Machine tools and CAD/CAM
programming systems

Patterson Wire Company
Route 5, Box 251
Covington, Georgia 30209
404/786-9093
Farm fencing, barbed wire and
electric fence wire

P.C. Drop Forgings Limited
Reuter Road
P.O. Box 100
Port Colborne, Ontario
L3K 5V7
416/834-7211
Steel forgings

Presidents Island Steel and Wire Inc.
1175 Harbor Avenue
P.O. Box 13207
Memphis, Tennessee 38113
901/948-7710
Industrial wire, cold heading
and plating quality wire

Sivaco Maritimes Division
35 Akerley Boulevard
Dartmouth, Nova Scotia
B3B 1J7
902/469-7412
Wire and nails

Sivaco Ontario Division
Thomas Street
P.O. Box 220
Ingersoll, Ontario N3C 3K5
519/485-4150
Wire

Sivaco Québec Division
800, rue Ouellette
P.O. Box 940
Marieville, Québec J0L 1J0
514/658-8741

Wire, welded wire fabric,
galvanized wire and nails

Tamper (Australia) Pty. Ltd.
4 Strathwyn Street
P.O. Box 287
Strathpine 4500
Queensland, Australia
07/2056500

Railway maintenance
equipment

Tamper Corp.
2401 Edmund Road
Box 20
Cayce-West
Columbia, South Carolina
29171-0020
803/794-9160

Railway maintenance
equipment

Virginia Wire & Fabric Division
615 Falmouth Street
Warrenton, Virginia 22186
703/347-2741
Wire and nails

Wiremil Inc.
1 Wiremil Road
Sanderson, Florida 32087
904/781-9224

High carbon wire and
stranded products

Wrights Canadian Ropes Ltd.
2551 #6 Road
Richmond, British Columbia
V6V 1P3
604/273-4941

Wire ropes and cables



PLACE MERCANTILE, 770, RUE SHERBROOKE OUEST,
MONTRÉAL, QUÉBEC, CANADA H3A 1G1